

October 1, 2007

Mary Levine
MSHDA - Legal Division

Dear Ms. Levine,

Would you please post the following remarks regarding the QAP on MSHDA's webpage? The remarks were made September 13th at the QAP hearing held in Lansing.

Thank you.

Sincerely,

Patricia A. Motter
C.E.O. Shelter of Flint, Inc./Rosewood Development

Good morning,

My name is Patricia Motter, C.E.O. of Shelter of Flint and Rosewood Housing Development. I also represent the Michigan Housing Council as a Board member.

I have chosen six points I wish to emphasize:

1st Point

While we are debating the merits of the proposed QAP, valuable service and economic need is fast becoming a lost opportunity. Our collective mission is to provide affordable housing. Dollars are available, viable projects are ready to go, affordable housing is in significant demand, the construction trades are hurting and in need of work. It is hard to understand what policy and/or mission initiatives are being met by delaying a funding round until December. A funding round utilizing the existing QAP should take place by October 15th to maximize all resources, including construction timetables. The citizens of our communities have need. There is no reason to delay any further. We are doing everything we can to meet this need. Work can proceed while QAP revisions are being addressed.

2nd Point

As owner/developer of approximate 500 units of affordable housing with 150 of those units dedicated to special needs, I am very concerned with the additional set aside for “special needs”.

As a nonprofit developer (one of your largest partners in the state) mandating up to a 60 day period to fill a vacancy of a 30% unit is fiscally irresponsible to the development and potentially discriminatory to other qualified tenants. There are already considerable economic implications to deep targeting, especially in light of rent caps and rising utility costs. Holding a unit up to 60 days is excessive.

3rd Point

As a continuation of part 2, the QAP underlying principals emphasize mutual collaboration, partnership and inclusiveness. As such, I request that MSHDA as my mutual partner, identify concretely committed resources for the soft \$, subsidies that will be needed to make the deals work both on the development side and for the provision of services.

To date, the primary funder of support services has been HUD and those resources have diminished rapidly. In some cases, forcing

nonprofit developers to utilize developer fees earned to fund special need services – something that was not intended and has placed additional burden on the non-profit.

4th Point

While it is desirable to create partnerships between developers and nonprofit service providers – how are service providers going to meet this obligation when they are already beyond capacity and resources? What specific plan is in place to ensure the service provider's success while minimizing their risk?

5th Point

MSHDA, with its vast resources, and political position should demonstrate and facilitate leadership with other like entities such as DCH, DHS and the private sector to establish and fund the needed subsidies to accomplish said objectives. The burden should not fall solely to the developer and/or service provider, especially if these objectives are to be mandated.

6th Point

There are numerous issues involved in the provision of special needs housing. It is indeed a desirable goal to enhance and increase housing for persons with special needs. However, we also need to carefully evaluate what has worked and what hasn't from a variety of perspectives. MSHDA has referenced studies but nothing specific involving those of us in the field. I strongly urge and invite a third party evaluation of special needs housing. I would gladly give input to the design/data collection – all aspects to gain valuable concrete information for future planning and policy recommendations.

It is my sincere hope that my remarks are viewed as intended from the perspective of practical application in the field.

Thank you.